



RESULTS FIRST QUARTER 2013

Highlights

- Renta 4 reached during the first quarter of 2013 a **net profit** of 2.1 million Euros, exceeding by 47% the result from the first quarter of 2012.
- **All operational variables showed a positive development during the first quarter**, special emphasis merits the increment in the commissions proceeding from **Asset Management**.
- **Net commission income** rose to 10.1 million Euros during the first quarter, an increment of **11.0% YoY** versus the correspondent quarter of 2012. **Gross commissions** stood at 18.6 million Euros as of the end of the quarter compared to 15.6 million Euros at the end of the first quarter of 2012.
- **Gross Margin** posted an increase of 16.6% during the quarter and summed 12.6 million Euros contrasting with the 10.8 million Euros of the first quarter of 2012
- Client assets under management, administration and custody in Renta 4 ascended to **7.193 billion Euros** as of end the first quarter 2013 exceeding the 5.730 billion Euros reported for the corresponding period of 2012 and **278,305 accounts**, representing a new all time high in the history of the company.
- **Net asset inflow** during the quarter closed at 300 million Euros, just short of double the amount of 151 million Euros reported at the end of Q1 of last year. The **proprietary network** accounted for **168 million Euros** compared to 83 million Euros attracted in the first quarter of 2012 and the third party network reported asset inflows of 132 million Euros versus 68 million Euros YoY.

Main numbers

Business Data	March 13	March 12	%
Number of Clients	278,305	185,261	50.2%
<i>Proprietary Network</i>	51,498	49,395	4.3%
<i>Third party Network</i>	226,807	135,866	66.9%
Total Assets	7,193	5,730	25.5%
<i>Stock Markets</i>	4,072	3,682	10.6%
<i>Investment Funds (propriet. and third party)</i>	1,269	936	35.5%
<i>Pension Funds</i>	970	324	199.4%
<i>SICAVs</i>	467	451	3.6%
<i>Others</i>	415	337	23.2%
Assets Proprietary Network (million Euros)	3,262	2,874	13.5%
Assets Third Party Network (million Euros)	3,931	2,856	37.6%
Financial Magnitudes (Euros thousand)			
Commissions Earned	18,224	15,290	19.1%
Interest Margin	1,628	852	91.1%
Result of Financial Operations	1,166	995	17.2%
Cost of Operation	9,124	8,470	7.7%
Gross Margin	12,609	10,814	16.6%
Profit of Operation	3,025	1,951	55.1%
Net Profit	2,080	1,411	47.4%
EPS	0.0511	0.0346	47.7%
Employees			
Staff (as of end first quarter)	327	314	4.1%
<i>Branch Network</i>	180	160	12.5%
<i>Central services</i>	147	154	-4.6%
N° Offices	58	58	0%
The Stock			
Ticker (Reuters/Bloomberg/Adrs)	RTA4.MA	RTA4.MA	RSVXY
Market Quote (€)	4.65	4.96	-6.25%
Capitalization (€)	189,223,394	201,838,287	-6.25%
Number of Shares Issued	40,693,203	40,693,203	

Consolidated Profit and Loss Account

Data in Euro thousand

	ACCUMULATED 31/03/2013	ACCUMULATED 31/03/2012	% variation
Interest and similar income	2,466	1,720	43.4%
Interest expense and similar charges	-838	-868	-3.5%
Net Interest Income	1,628	852	91.1%
Return on equity instruments	0	67	
Share of profit (loss) of entities accounted for using the equity method	-168	-196	-14.3%
Fee and commission income	18,224	15,290	19.2%
Fee and commission expenses	-8,514	-6,513	30.7%
Gains or losses on financial assets and liabilities (net)	1,166	995	17.2%
Exchange differences (net)	332	355	-6.5%
Other operating income	179	117	53.0%
Other operating expenses	-238	-153	55.6%
Gross Margin	12,609	10,814	16.6%
Administrative expenses:	-8,400	-7,832	7.3%
a) Personnel expenses	-4,833	-4,146	16.6%
b) Other administrative expenses	-3,567	-3,686	-3.2%
Depreciation and amortisation	-724	-638	13.5%
Provision expenses (net)	174	44	295.5%
Impairment losses on financial assets (net)	-634	-437	45.1%
Operating Profit	3,025	1,951	55.0%
PROFIT (LOSS) BEFORE TAX	3,025	1,951	55.0%
Tax on profit	-945	-539	75.2%
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	2,080	1,412	47.4%
CONSOLIDATED PROFIT (LOSS) FOR THE YEAR	2,080	1,412	47.4%
a) Profit (loss) attributed to the parent	2,037	1,394	46.1%
b) Profit (loss) attributed to minority interests	43	17	145.9%
EARNINGS PER SHARE	0.0511	0.0346	47.7%

Summary of Income and Expenses

	1Q 2013	1Q 2012	%
Net Commissions	10,053	9,053	11.0%
Commissions earned and exchange differences and other items	18,567	15,566	19.3%
Commissions paid	-8,514	-6,513	30.7%
Return from financial operations and dividends	1,166	1,062	9.8%
Net interest income	1,628	852	91.1%
Other cost of operation	-238	-153	55.6%
Gross Margin	12,609	10,814	16.6%
Cost of operation	-9,124	-8,470	7.7%
Impairment losses on financial assets (net)	-634	-437	-145.1%
Profit before provisions	2,851	1,907	49.5%

Operacional Data

During the first quarter of 2013 the main business variables of the company developed favourably, with special highlight on the increase of number of clients and client assets.

The overall amount of client assets managed and administered rose as of the end of March 2013 to 7.193 billion Euros, 25.5% higher than at the end of March 2012. The net asset inflow during the period summed 300 million Euros compared to the 151 million Euros registered at end Q1 of 2012.

The **assets managed in Investment Funds** rose, as of 31. March 2013, to 887 million Euros compared to 723 million Euros at the end of the first quarter last year (based upon data from Inverco), rising by 23% YoY. The Investment Funds managed by **Renta 4 Gestora** experienced during the period of the last 12 months an increase of 21%, versus a decline of 1.1% in the assets managed by the Spanish fund management industry (data by Inverco).

In respect of **SICAVs**, Renta 4 managed 467 million Euros as of the end of the quarter and exceeded the 451 million Euros accounted at the end of March 2012; rising by 3,6% YoY and corresponding to a market quota of 1.9%.

Pension Funds managed by Renta 4 stood at 970 million Euros versus 324 million Euros of at the end of the same period last year (+199.4% YoY). As stated in earlier occasions, the increase is mainly attributable to ING Direct having transferred their pension funds to Renta 4.

The increase of new clients stayed at satisfactory levels. The **overall number of client accounts** at the end of March 2013 stood at 278,305 compared to 185,261 the year before; a growth of 50.2% YoY. **51,498 accounts (+4.3%) belong to the proprietary network** and 226,807 to the third party network (+66.9 %).

Income

- Accumulated 2013 (January-March)

“Commissions earned” grew by 19.1%, posting 18.6 million Euros compared to 15.6 million Euros YoY. In terms of net commissions the accumulated growth of 2013 reached 11.0%, and closed at 10.1 million Euros. The increment of 30.7% of the **commissions paid-out** was predominantly originated in securities trading by the increased number of transactions of our clients in international markets.

Gross commissions originated by **“Asset Management”** ascended to 5.8 million Euros compared to 3.3 million Euros of the same period of last year, an **increase in this business line of 75.1% YoY**.

Remarkable is the result of **interest income with 1.6 million Euros (+91.1% YoY)**.

Results from financial operations and dividends ascended to **1.166 million Euros** and exceeding the 1.062 million Euros of the first quarter of 2012, rising by 9.8% YoY.

The **“Consolidated Profit of the period”** referring to the first quarter of 2013 closed at 2.1 million Euros compared to 1.4 million Euros at the end of the first quarter last year **incrementing by 47.4%**.

Cost

- **Accumulated 2013 (January-March)**

The **“Cost of operation”** as of end March 2013 reached 8.4 million Euros, an increment of 7.3% compared to the first quarter of 2012 when it stood at 7.8 million Euros.

By lines, **“Personnel expenses”** rose during the quarter by 16.6% reaching 4.8 million Euros. This increase was mainly attributable to the incorporation of the branch in Chile. Renta 4 Staff increased from 314 employees one year ago to 327 employees as of the end of the first quarter 2013.

“General expenses” registered in the period a decline of 3.2% and stood at 3.6 million Euros compared to 3.7 million Euros the year before. For comparison purposes Renta 4 started its activity as Bank in the first quarter of 2012 and registered some extraordinary expenses as a consequence of the adjustment of the systems.

Finally, **“Amortizations”** rose compared to Q1 of 2012 by 13.5%, and reached 724 thousand Euros.

Market situation and outlook

During the first quarter of 2013 the financial markets showed signs of relaxation, helped by the declarations of several Central Banks assuring the continuity of its expansive monetary policies. Additionally, some analysts think that the Stock Markets might be discounting a reactivation of economic growth starting in 2014.

Notwithstanding, trading volume in financial markets continue to be low, indicating an investor sentiment still being ruled by caution.

In Renta 4 Banco we maintain a prudent outlook, though with positive bias, and continue to pay great attention to risk, given the persistence of high levels of debt in the system and even more in an environment that is and will be for some time characterized by low levels of economic growth, making the reduction of accumulated debt even more difficult.

In this context, we continue developing our presence in Latin America and our alliances in Asia.

Given the favourable development of both assets managed and under custody as well as income and net commissions **during the first quarter of 2013** allow us to have a **reasonably positive expectation for the rest of the year.**

Consolidated Balance Sheet (in thousand Euros)

ASSETS	31/03/2013	31/12/2012
1. Cash and balances with central banks	6,196	2,390
2. Financial assets held for trading	792	2,363
3. Other financial assets at fair value through profit or loss		
4. Available-for-sale financial assets	196,263	249,163
5. Debt securities	338,817	312,528
6. Held -to-maturity investments		
7. Ajustes a activos financieros por macro-coberturas		
8. Hedging derivatives		
9. Non-current assets held for sale		
10. Investments	1,983	1,892
a) Associates	1,983	1,892
b) Jointly controlled entities		
11. Insurance contracts linked to pensions		
12. Reinsurance assets		
13. Property and equipment:	31,205	31,268
a) For own use	27,277	27,307
b) Investment properties	3,928	3,961
14. Intangible assets:	17,356	17,500
a) Goodwill	16,106	16,106
b) Otro intangible assets	1,250	1,394
15. Tax assets	1,501	1,836
a) Current	1,170	1,314
b) Deferred	331	522
16. Other assets	1,922	836
TOTAL ASSETS	596,035	619,776

TOTAL EQUITY AND LIABILITIES	31/03/2013	31/12/2012
TOTAL LIABILITIES	535,244	560,881
1. Financial liabilities held for trading	289	770
2. Other financial liabilities at fair value through profit or loss		
3. Financial liabilities at amortized cost	530,276	556,393
4. Changes in the fair value of hedged items in portfolio hedges of interest rate risk		
5. Hedging derivatives		
6. Liabilities associated with non-current assets held for sale		
7. Liabilities under insurance contracts		
8. Provisions	76	250
9. Tax liabilities	3,419	3,145
a) Current	2,093	1,810
b) Deferred	1,326	1,335
10. Fondo de la obra social (sólo Cajas de Ahorro y Cooperativas de crédito)		
11. Other liabilities	1,184	323
12. Cash		
EQUITY	60,791	58,895
OWN FUNDS	59,567	58,132
1. Capital or endowment fund	18,312	18,312
a) Issued capital	18,312	18,312
b) Less: uncalled capital		
2. Share premium	8,496	8,496
3. Reserves	37,805	35,590
4. Other equity instruments	1,027	1,027
5. Less: Treasury shares	-8,110	-7,506
6. Profit (loss) attributable to the parent	2,037	5,189
7. Less: Dividends and remuneration	0	-2,976
VALUATION ADJUSTMENTS	-643	-1,028
1. Available-for-sale financial assets	-665	-1,052
2. Cash flow hedges		
3. Hedges in net investments in foreign operations		
4. Exchange differences	22	24
5. Non-current assets held for sale		
6. Companies accounted using the equity method		
7. Other valuation adjustments		
TOTAL EQUITY ATTRIBUTABLE TO THE PARENT	58,924	57,104
MINORITY INTERESTS	1,867	1,791
1. Valuation adjustments	118	85
2. Others	1,749	1,706
TOTAL EQUITY AND LIABILITY	596,035	619,776

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